

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:891
ANSWERED ON:01.03.2000
PROCESSING OF VEGETABLES AND FRUITS
JAYASHREE BANERJEE

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether a proposal is under consideration of the Government for processing of vegetables and fruits in view of a large scale production of vegetable and fruits in the country;
- (b) whether the farmers are forced to sell peas and tomatoes at cheaper rates in view of their excess production;
- (c) if so, whether the production of vegetables and fruits can be increased by establishing agriculture based industry; and
- (d) whether any plan has been formulated to provide remunerative price to farmers for their produce?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES

(SHRI SYED SHAHNAWAZ HUSSAIN)

(a) The Department of Food Processing Industries provides support to facilitate overall growth of food processing sector including fruit & vegetable processing. Under its Plan schemes, the Department provides concessional finance to food processing industries. Besides, other agencies like National Horticultural Board (NHB), Agricultural and Processed Food Products Export Development Authority (APEDA), National Co-operative Development Corporation (NCDC) also provide assistance under their respective schemes. This sector has also been included as a priority sector for providing loan by Financial Institutions.

(b) There is no report from any State Government that farmers are forced to sell peas and tomatoes at cheaper rates due to excess production of these horticultural crops.

(c) There is lot of potential for increasing production of processed fruits and vegetables by establishing Agro-processing industries. Processing of fruits and vegetables is estimated to have gone up from less than 0.5% of the total production prior to 1988 to approximately 1.8% in 1997.

(d) Government of India is implementing a Market Intervention Scheme (MIS) for horticultural crops on specific request of concerned State Governments. The Scheme envisages procurement of pre-determined quantity of produce at an agreed price for a specific period to arrest downward trend of prices and to assure remunerative prices to the growers. NAFED is the Central Nodal Agency for procurement under Market Intervention Scheme. The losses if any, are shared on 50:50 basis between the Central & State Governments.